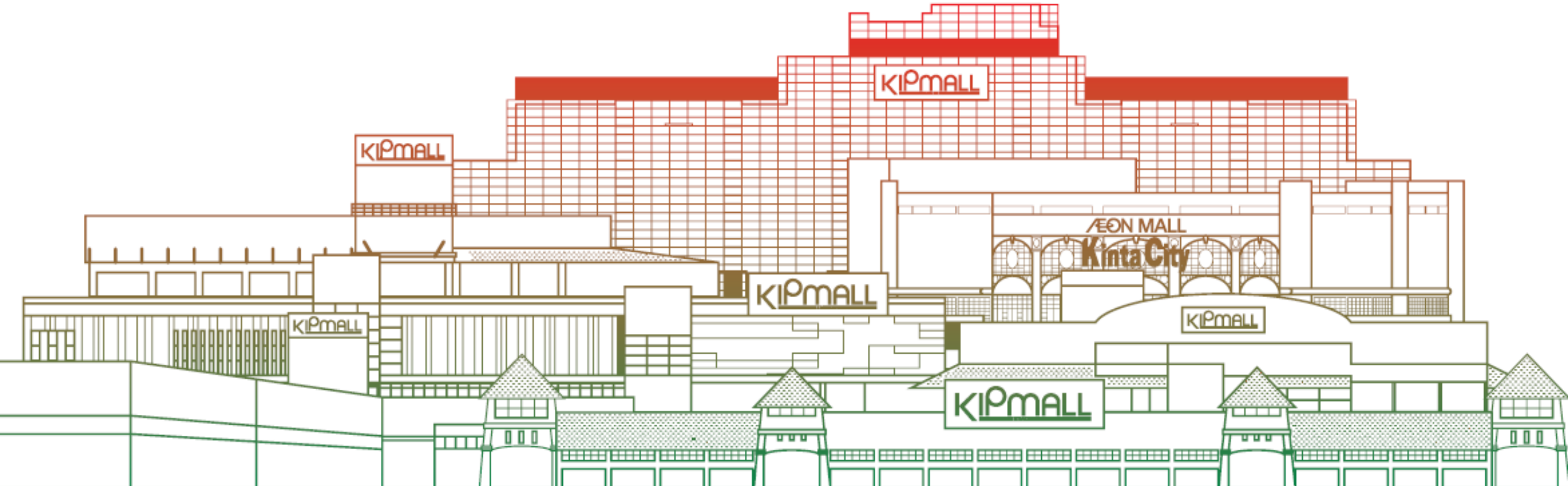


FINANCIAL RESULTS FOR Q1FY2023



KIP Real Estate Investment Trust
KIP:MK (5280)

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Section 2	Financial Performance
Section 3	Portfolio Updates
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Key Highlights



KEY HIGHLIGHTS

Q1FY2023 & FY2022

 Gross Revenue	 Net Property Income	 Realised Profit After Tax	 Distributable Income	 Distribution Per Unit	 Average Occupancy Rate	 TTM Distribution Yield
Q1FY2023						
RM19.3 M  12.9% Y-o-Y	RM14.3 M  4.8% Y-o-Y	RM8.8 M  5.0% Y-o-Y	RM9.1 M  7.4% Y-o-Y	1.45 Sen  6.5% Y-o-Y	90.1%  3.1% Point Y-o-Y	7.49%
FY2022						
RM73.7 M  0.7% Y-o-Y	RM56.8 M  0.2% Y-o-Y	RM36.0 M  0.1% Y-o-Y	RM37.3 M  2.4% Y-o-Y	6.80 Sen  0.6% Y-o-Y	87.3%  1.1% Point Y-o-Y	Based on RM0.895 closing price as at 26 October 2022

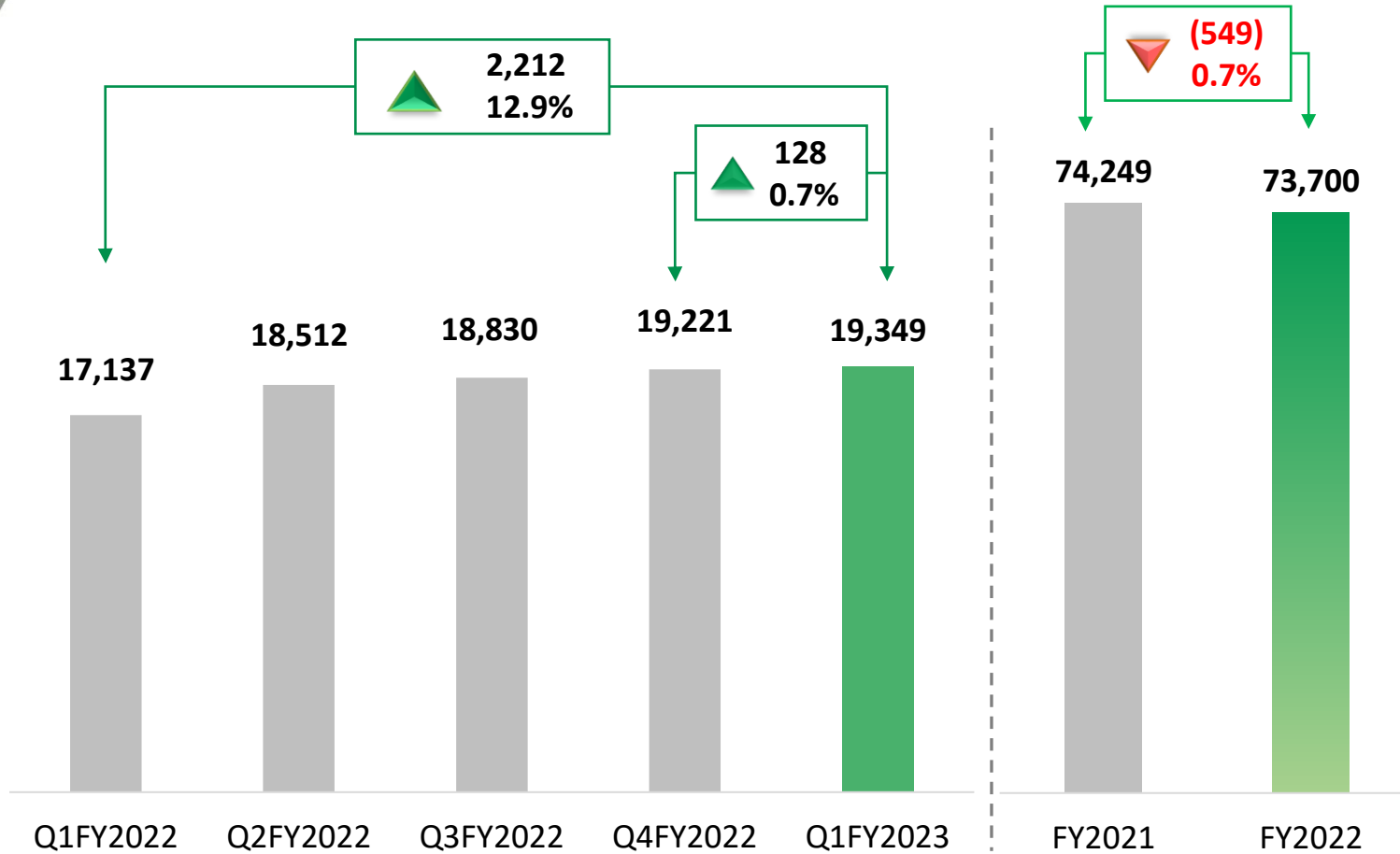
Financial Performance



FINANCIAL PERFORMANCE

Gross Revenue

Gross Revenue (RM'000)



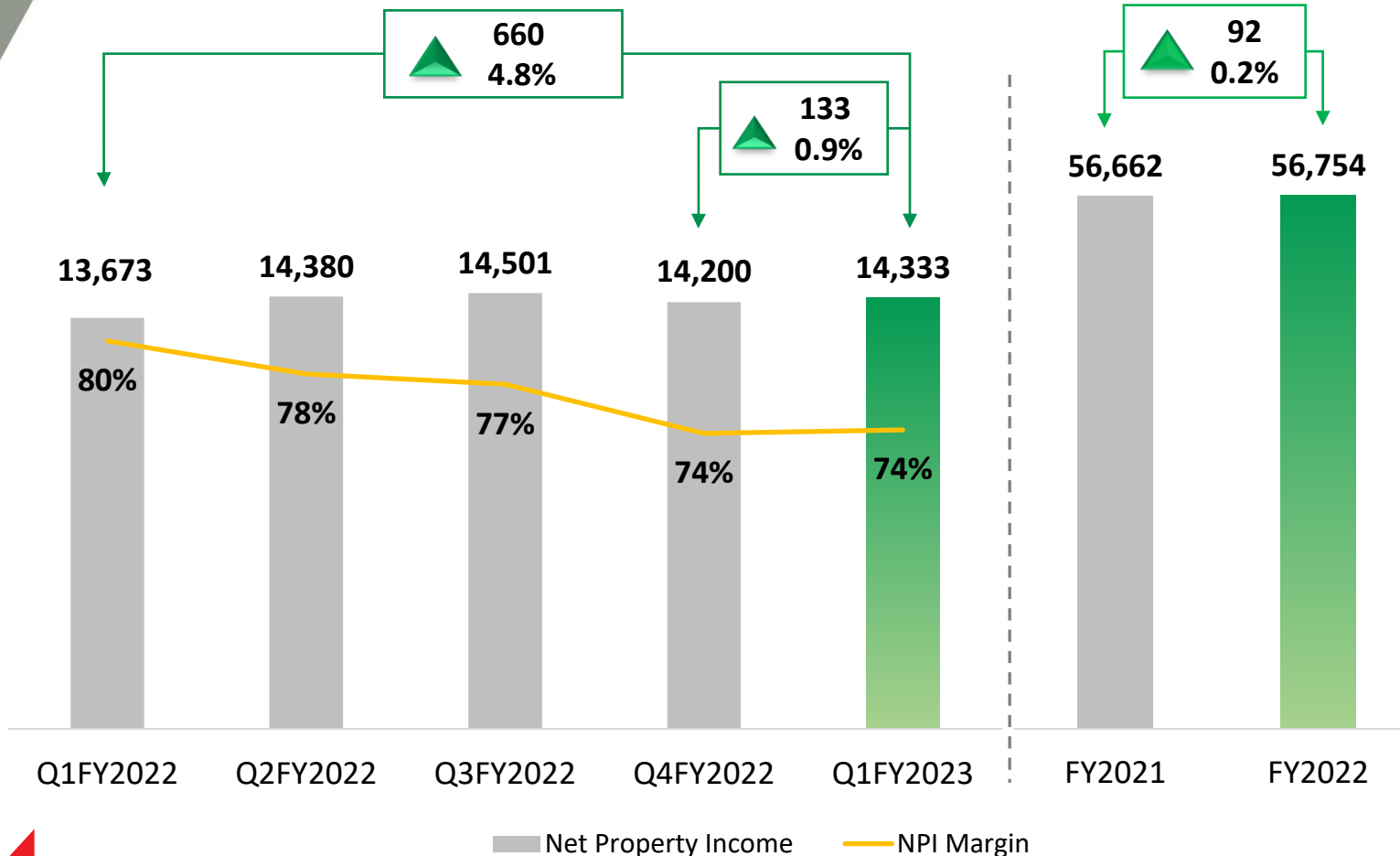
Q1FY2022 vs Q1FY2023

- The increase in revenue was mainly due to lower base revenue in the previous corresponding quarter as a result of reduced promotional area income on the back of restriction on activities due to FMCO.

FINANCIAL PERFORMANCE

Net Property Income

Net Property Income (“NPI”) (RM'000)



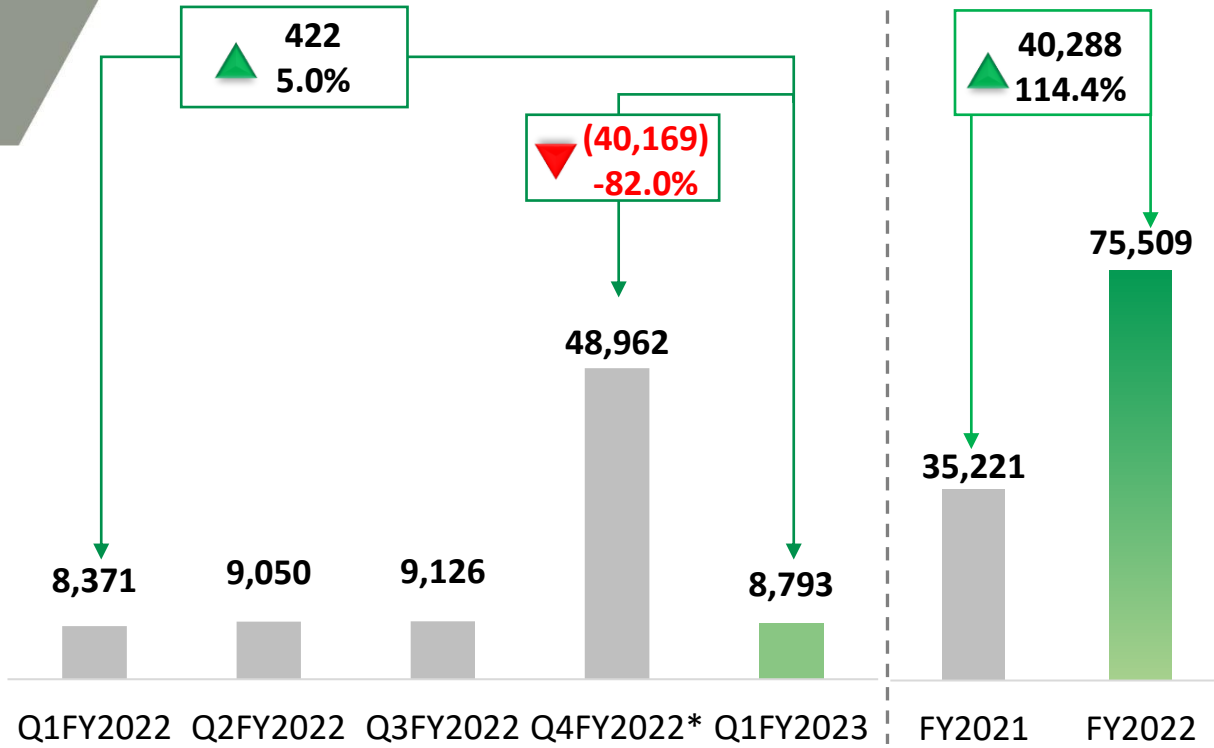
Q1FY2022 vs Q1FY2023

- Net property income improved on the back of higher revenue recorded but was partially offset by higher property expenses with full force operating during Q1FY2023, which resulted in the NPI margin declining from 79.8% to 74.1%.

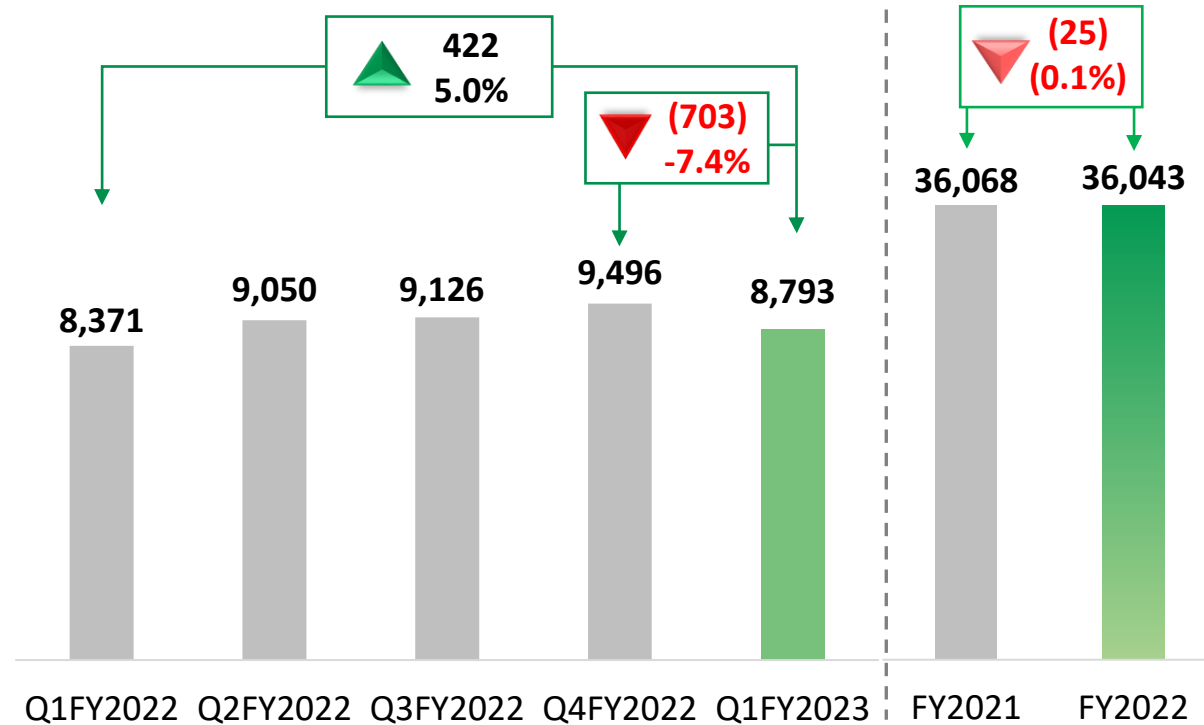
FINANCIAL PERFORMANCE

Profit after Tax

Profit after Tax (RM'000)



Realised Profit after Tax (RM'000)



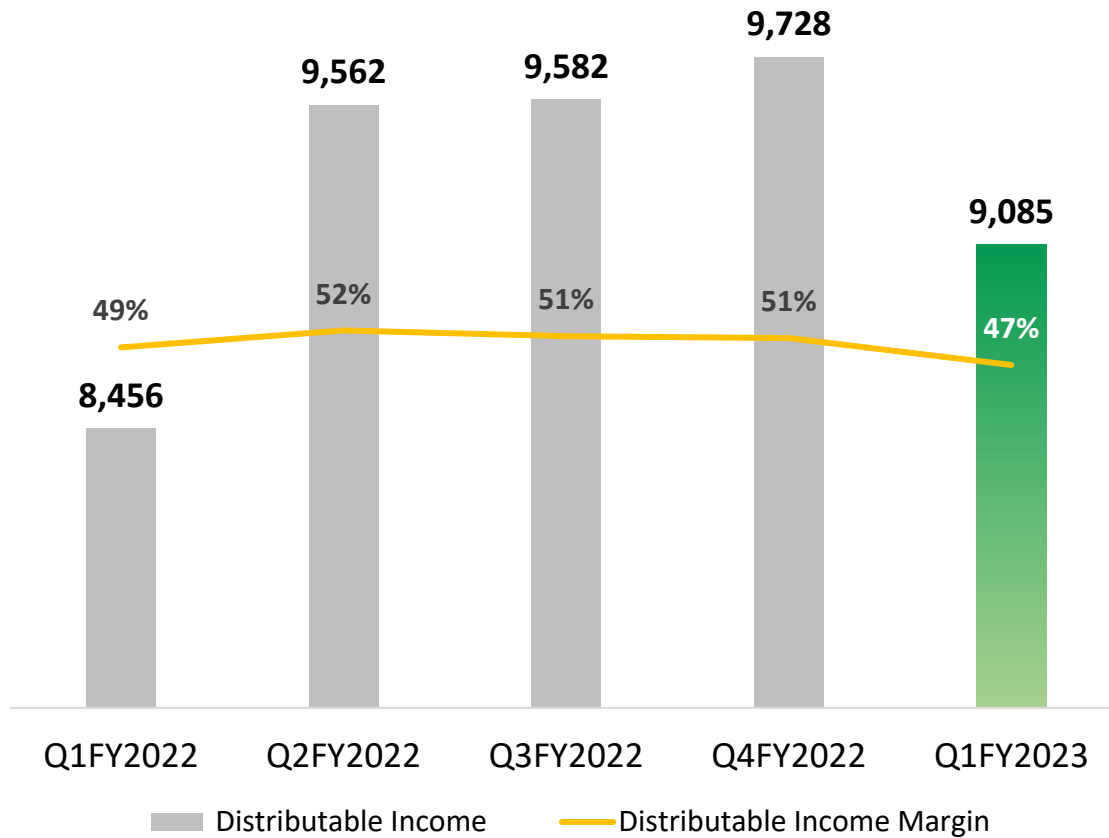
*: Includes a RM39.5 million fair value gain on investment properties

Q1FY2022 vs Q1FY2023

- Higher PAT in Q1FY2023 were mainly due to higher net property income.

DISTRIBUTIONS

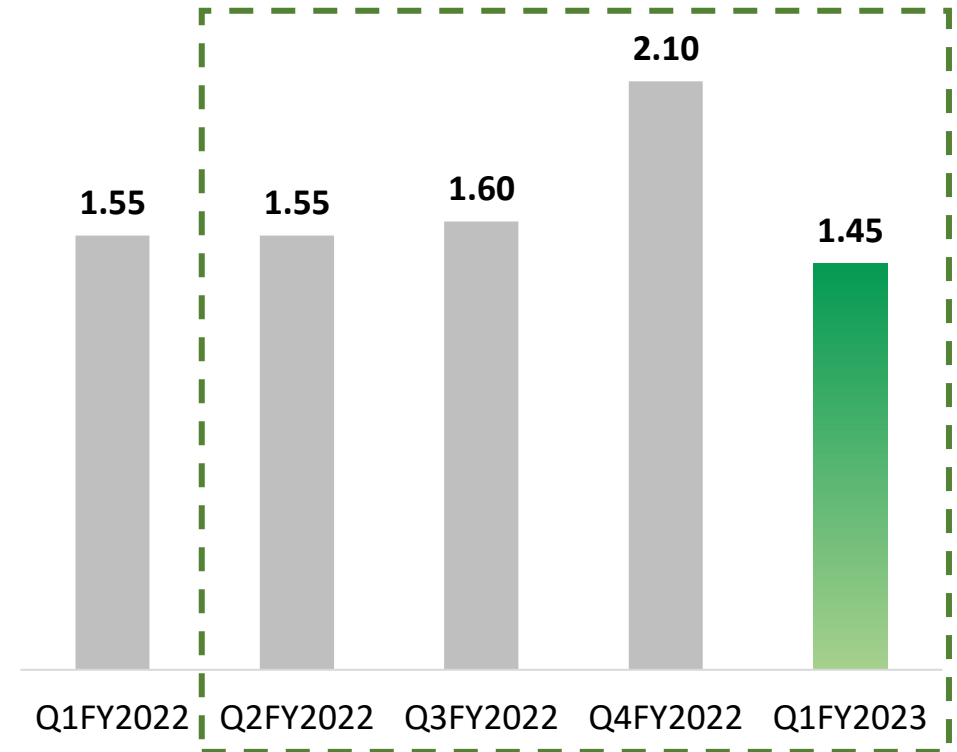
Distributable Income (RM'000)



Legend: ■ Distributable Income — Distributable Income Margin

Total distributable income for 1QFY2023 = **RM9.1 million**

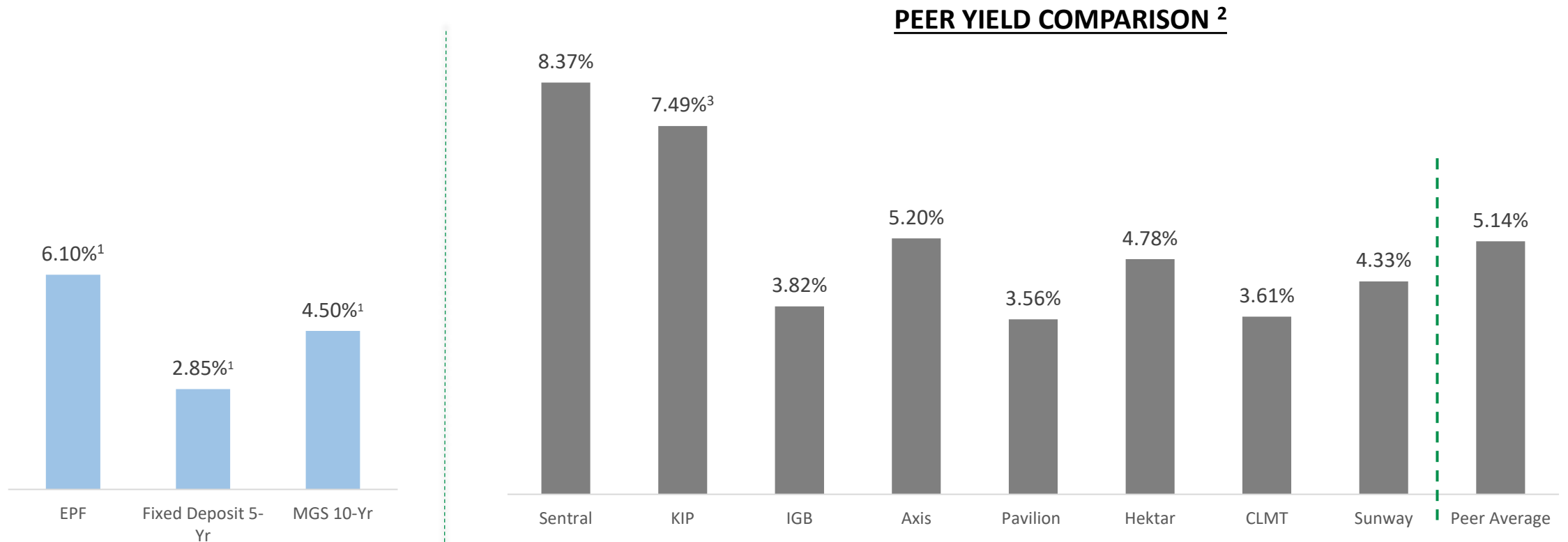
Distribution Per Unit (Sen)



Distribution for last trailing 12 months = **6.70 sen**

ATTRACTIVE YIELD VS OTHER INVESTMENTS

Continues to deliver attractive annual yield of 7.49%



Note:

1. Source taken from the websites of EPF, Maybank and Bank Negara Malaysia as at 26 October 2022.
2. Peer comparisons are calculated based on the distribution for the last trailing 12 months period at the closing price for each respective REITs as at 26 October 2022.
3. Calculated based on the distribution for the last trailing 12 months period (6.70 sen) at the closing price of RM0.895 as at 26 October 2022

HEALTHY BALANCE SHEET

AS AT 30 SEPTEMBER 2022

RM'000	Unaudited	Audited
	As at 30 September 2022	As at 30 June 2022
Investment Properties	852,685	852,000
Cash and cash equivalents	82,033	30,994
Other assets	10,071	6,041
Total Assets	944,789	779,035
Borrowings	310,750	312,913
Other liabilities	22,086	21,596
Total Liabilities	332,836	334,509
Net Assets Value (after income distribution)	611,953	554,526
NAV per unit (RM) ¹	1.0570	1.0974
Gearing ratio	32.9%	35.2%

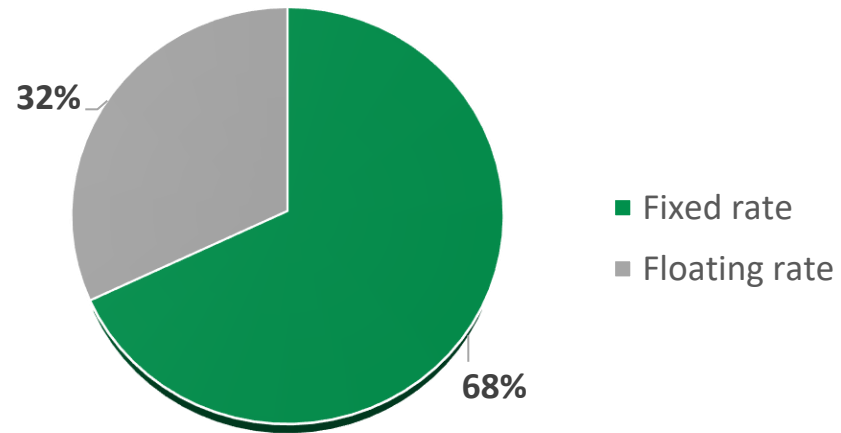
Note:

1. Based on units in issue of 578,950,000 as at 30 September 2022

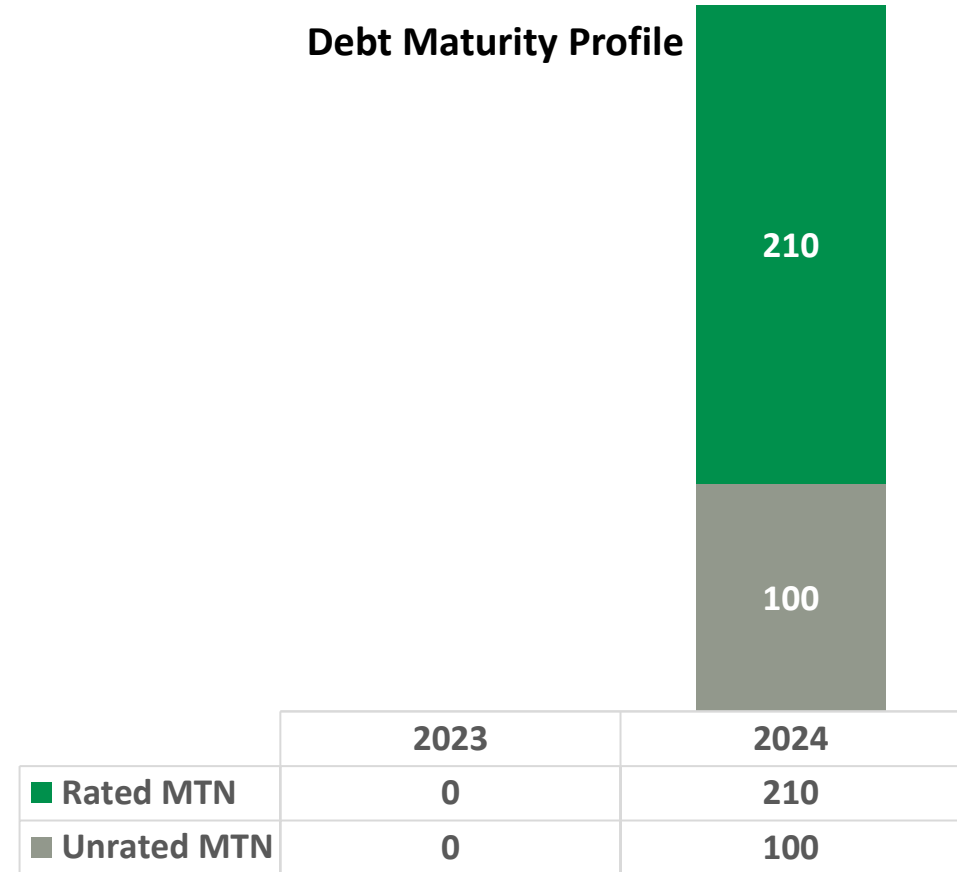
KIP REIT DEBT PROFILE

AS AT 30 SEPTEMBER 2022

Fixed and Floating Rate



Debt Maturity Profile



- Total borrowings drawn down RM310.8 million
- 68% of borrowings are on fixed rate; 32% are on floating rate.
- Weighted average interest cost: 4.46% (30 September 2021: 4.31%)

- Next refinancing due on 31 July 2024

Portfolio Updates



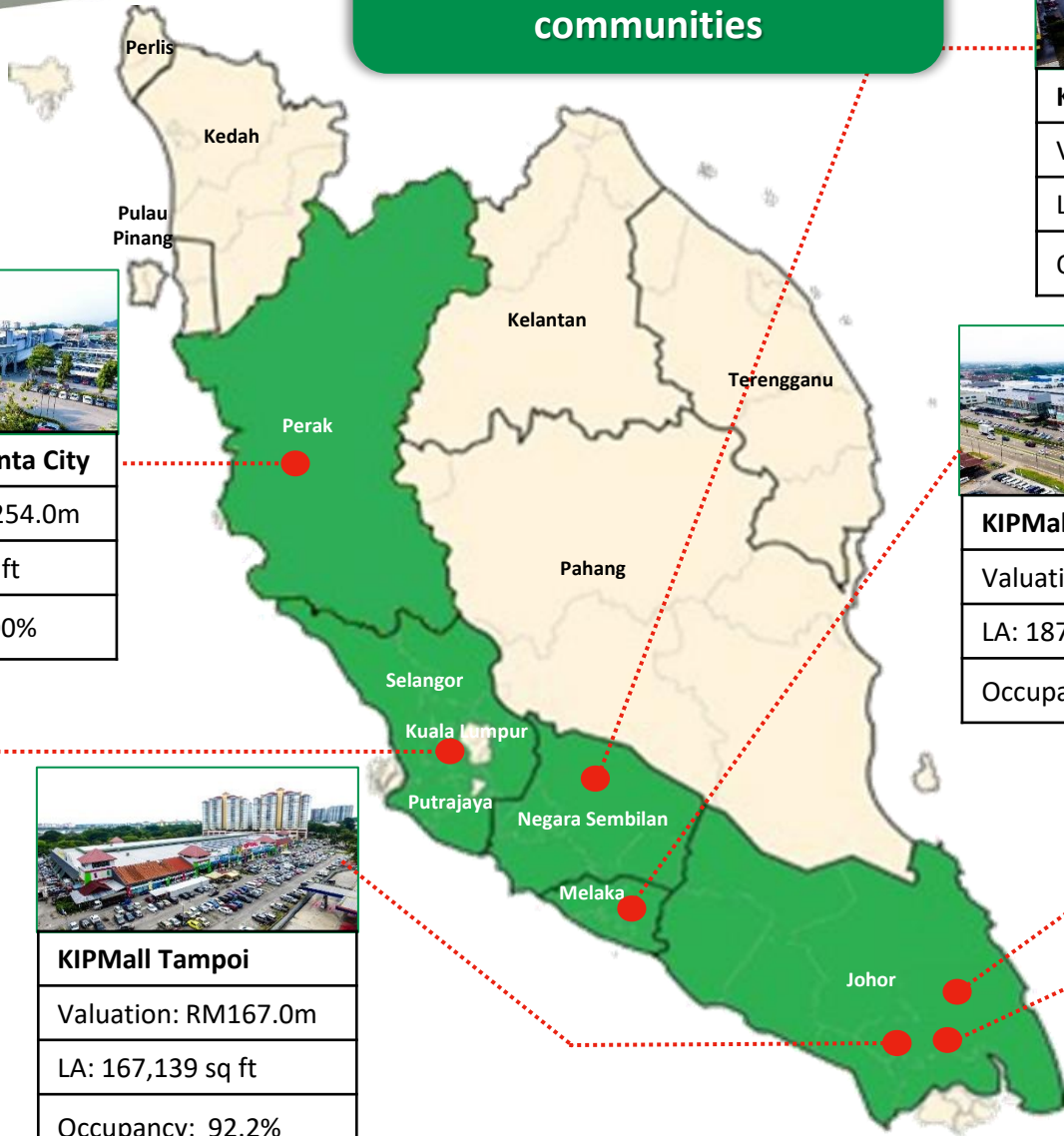
PORTFOLIO SUMMARY

One stop destination suburban malls that serve its communities

Portfolio

Valuation: RM852.0m
LA ¹ : 1.49 million sq ft
No. of tenancies ¹ : 785
Average Occupancy ² : 90.1%

- Notes:**
- As at 30 September 2022
 - Average occupancy rate for 3-month financial period ended 30 September 2022



AEON MALL Kinta City
Valuation: RM254.0m
LA: 530,181 sq ft
Occupancy: 100%



KIPMall Senawang
Valuation: RM27.0m
LA: 116,919 sq ft
Occupancy: 85.5%



KIPMall Melaka
Valuation: RM50.0m
LA: 187,841 sq ft
Occupancy: 84.3%



KIPMall Kota Tinggi
Valuation: RM56.0m
LA: 76,297 sq ft
Occupancy: 92.2%



KIPMall Bangi
Valuation: RM124.0m
LA: 257,981 sq ft
Occupancy: 72.3%



KIPMall Tampoi
Valuation: RM167.0m
LA: 167,139 sq ft
Occupancy: 92.2%



KIPMall Masai
Valuation: RM174.0m
LA: 151,836 sq ft
Occupancy: 93.2%



PORTFOLIO

AVERAGE OCCUPANCY RATE

	FY2019	FY2020	FY2021	Q1FY2022	Q2FY2022	Q3FY2022	Q4FY2022	Q1FY2023
KIPMall Tampoi	97.7%	97.4%	88.5%	77.3%	78.0%	79.3%	87.4%	92.2%
KIPMall Kota Tinggi	91.3%	92.8%	88.0%	90.1%	91.4%	92.2%	91.9%	92.2%
KIPMall Masai	93.7%	95.4%	88.9%	87.9%	91.3%	92.9%	93.4%	93.2%
KIPMall Senawang	79.5%	80.9%	78.2%	79.8%	83.8%	84.9%	86.7%	85.5%
KIPMall Melaka	80.6%	76.6%	80.1%	72.4%	75.4%	82.0%	82.5%	84.3%
KIPMall Bangi	86.0%	78.6%	81.9%	78.9%	74.6%	70.0%	56.8%	72.3% ¹
AEON Mall Kinta City	N/A	100%	100%	100%	100%	100%	100%	100%
Average Occupancy Rate	87.8%	90.7%	89.6%	87.0%	87.5%	88.0%	86.8%	90.1%

Note:

1. Increase in KIPMall Bangi's average occupancy rate was due to new anchor tenants, MY Hero Supermarket and Noko occupying 19.4% of its NLA.

PORTFOLIO LEASE EXPIRY PROFILE

Lease expiry as at 30 September 2022	FY2023	FY2024	FY2025	FY2026
Number of leases expiring	489	267	26	3
Leased area expiring (sq. ft.)	361,769	340,162	109,849	537,035
Expires as % of occupied NLA	26.8%	25.2%	8.1%	39.8%
Expires as % of gross rental income	39.8%	27.8%	6.3%	26.1%

Weighted average lease expiry (WALE) as at 30 September 2022 stands at **2.61 years** by occupied NLA and **2.19 years** by gross rental income.

Approved acquisition of 3 industrial properties



- Purchase price consideration : RM78.7 million.

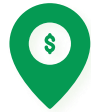


- Estimated completion date : Second quarter of the calendar year 2023

- Proposed leases tenure : 15 years

	Klang Property 1	Klang Property 2	Klang Property 3
Vendor	Hextar Chemicals S/B (HCSB)	Hextar Industrial Chemicals S/B (HCSB)	Teju Logistics S/B (TLSB)
Location	Pulau Indah Industrial Park	Pulau Indah Industrial Park	Pulau Indah Industrial Park
Land Area (sqm)	21,303	21,202	18,659
Tenure	Leasehold	Leasehold	Leasehold
Description	An industrial premises accommodating a double storey office building annexed with a single storey warehouse and guard house	An industrial premises accommodating a single storey warehouse, pump house and guard house	An industrial premises accommodating a single storey factory/warehouse, guard house, pump house and refuse chamber
Age	20	25	2
Lettable Area (sqft)	112,508	129,114	108,936
Occupancy Rate (%)	100	100	100
Property Yield (%)	6.5	6.5	6.5

Rationale of the acquisitions



1. Strategic location of the Klang Properties

- Easily accessible to major highways
- Strong demand for industrial properties in this location and limited supply
- Support industries within the Pulau Indah Industrial Park



2. Enhances portfolio diversification and strengthen KIP REIT's portfolio

- Diversification via acquisition of industrial properties to spread risk across subsectors



3. Committed long term occupancy

- Stable and sustainable income stream through the Lease Agreements for a lease period of 15 years
- Early termination due to Lessees default, Lessee to compensate the whole unexpired term of Proposed Leases



4. Stable and quality cash flows

- The lessees, Hextar Group is related to the major unitholder of KIP REIT



5. Structured leases with embedded organic growth

- Rental escalation of 13% at the 4th, 7th and 11th anniversaries of the Lease Term

Outlook and Moving Forward





1. Malaysia Retail Industry

- Retail Group Malaysia (RGM) expects the retail industry in Malaysia to grow by 31.7% in 2022, in line with the firm recovery of the nation's retail industry since the beginning of the year.
- Footfall across shopping malls has picked up with visible traffic congestions since the easing of COVID-19 restrictions.
- Rising prices of necessities, consumer goods, oil price and the higher cost of living is expected to continue during the second half of 2022 and will affect the purchasing power of Malaysian households.
- An interest-rate hike will likely have a negative impact on the purchasing power of consumers.

2. Malaysian Economy



- Bank Negara Malaysia projected GDP growth in 2022 to be within 5.3-6.3%, backed by an increase in private consumption and business activities coming out of the pandemic
- For 2023, the Ministry of Finance of Malaysia forecasted Malaysia's GDP growth between 4.0% and 5.00%.



1. Diversification of Portfolio

- Completed Private Placement exercise to raise RM59.9 million with the issuance of 73.65 million units at RM0.805 (tranche 1) and RM0.835 (tranche 2) per Placement Unit to part-finance the three acquisitions and to part-finance the KIPMall Bangi facelift.
- We continue to actively explore opportunities to invest in income producing real estate assets where we see strong demand for commercial properties including industrial facilities, logistic facilities and warehouse facilities.



2. Operational Measures

- We remain vigilant and prudent on managing our cash flow and exercising financial discipline to continue delivering value to our unitholders.
- Essential services under KIP REIT assets has shown relatively stronger resilience and we will continue to cater for its surrounding communities offering daily necessities and essential services.
- We will continue to monitor the situation closely and adopt appropriate strategies accordingly to further encourage long term partnerships with tenants and ultimately ensure the long-term sustainability of KIP REIT.

Appendix – Asset Portfolio



KIPMall - TAMPOI



Population coverage of 5 km radius

District	Estimation of coverage of 5 km radius	Estimation of population
Bandar Johor Bahru	20%	124,096
Tebrau	15%	316,327
Pulai	60%	360,642

Address / Location	Lot PTD 152711, Jalan Titiwangsa 1, Taman Tampoi Indah, 81200 Johor Bahru
Property type	Retail centre
Description	Single-storey retail centre with a mezzanine floor
Tenure	99 years
Age of property	19 years
Land area	452,191 sq ft (approx. 10.38 acres)
Lettable area	170,500 sq ft
Average gross rent (per sq ft)	September 2022: RM7.98
Market value as at 30 September 2022	RM167,000,000
Average Occupancy	FY2020: 97.4% (12 month ended 30 Jun 2020) FY2021: 88.5% (12 month ended 30 Jun 2021) FY2022 : 80.5% (12 month ended 30 Jun 2022) FY2023: 92.20% (3 months ended 30 Sep 2022)
Latest Occupancy Rate	September 2022: 93.4%
Number of tenancies as at 30 September 2022	232
Net property income (RM '000)	FY2020: 12,928 (12 month ended 30 Jun 2020) FY2021: 12,082 (12 month ended 30 Jun 2021) FY2022: 11,301 (12 month ended 30 Jun 2022) FY2023: 3,182 (3 months ended 30 Sep 2022)
Major tenants and % of occupied LA	Pasaraya Hwa Thai (Supermarket; 15.3%) Bok Marketing Sdn Bhd (Household Product; 12.8%) Mr Dollar (Household Product; 7.4%)

KIPMaI – KOTA TINGGI



Population coverage of 5 km radius

District	Estimation of coverage of 5 km radius	Estimation of population
Kota Tinggi	95%	62,976

Address / Location	No 1, Jalan Maju, 81900 Kota Tinggi, Johor Darul Takim
Property Type	Retail centre
Description	Single-storey retail centre with a mezzanine floor
Tenure	Freehold
Age of Property	15 years
Land area	168,111 sq ft (approx. 3.86 acres)
Lettable Area	76,297 sq ft
Average gross rent (per sq ft)	September 2022: RM6.31
Market value as at 30 September 2022	RM56,000,000
Average Occupancy	FY2020: 92.8% (12 month ended 30 Jun 2020) FY2021: 88.0% (12 month ended 30 Jun 2021) FY2022 : 91.4% (12 month ended 30 Jun 2022) FY2023: 92.2% (3 months ended 30 Sep 2022)
Latest Occupancy Rate	September 2022: 92.2%
Number of tenancies as at 30 September 2022	120
Net Property Income (RM '000)	FY2020: 3,859 (12 month ended 30 Jun 2020) FY2021: 3,545 (12 month ended 30 Jun 2021) FY2022: 3,847 (12 month ended 30 Jun 2022) FY2023: 964 (3 months ended 30 Sep 2022)
Major tenants and % of occupied LA	Pasaraya SongMart (Supermarket; 25.6%) Lionmas (Electrical and digital products; 10.9%) Mr Dollar (Household products; 8.3%)

KIPMall - MASAI



Population coverage of 5 km radius

District	Estimation of coverage of 5 km radius	Estimation of population
Plentong	50%	247,076

Address / Location	KIPMall Masai, Jalan Persiaran Dahlia 2, Taman Bukit Dahlia, 81700 Pasir Gudang, Johor
Property Type	Retail centre
Description	Single-storey retail centre with a mezzanine floor
Tenure	99 years
Age of Property	12 years
Land Area	472,757 sq ft (approx. 10.85 acres)
Lettable Area	152,116 sq ft
Average gross rent (per sq ft)	September 2022: RM8.82
Market value as at 30 September 2022	RM174,000,000
Average Occupancy	FY2020: 95.4% (12 month ended 30 Jun 2020) FY2021: 88.9% (12 month ended 30 Jun 2021) FY2022: 91.4% (12 month ended 30 Jun 2022) FY2023: 93.2% (3 months ended 30 Sep 2022)
Latest Occupancy Rate	September 2022: 93.1%
Number of tenancies as at 30 September 2022	212
Net Property Income (RM '000)	FY2020: 12,836 (12 month ended 30 Jun 2020) FY2021: 12,313 (12 month ended 30 Jun 2021) FY2022: 12,427 (12 month ended 30 Jun 2022) FY2023: 3,144 (3 months ended 30 Sep 2022)
Major tenants and % of occupied LA	Pasaraya Hwa Thai (Supermarket; 15.8%) Bok Marketing (Household Product, Gifts; 14.1%) Mr DIY (Household Products, Gifts; 8.4%)

KIPMall – SENAWANG



Population coverage of 5 km radius

District	Estimation of coverage of 5 km radius	Estimation of population
Ampangan	80%	130,823
Rantau	50%	64,328
Bandar Seremban	10%	32,393

Address / Location	No. 1, Jalan KLS 1, Lavender Heights, 70450 Seremban, Negeri Sembilan Darul Khusus
Property Type	Retail centre
Description	Single-storey retail centre with a mezzanine floor
Tenure	Freehold
Age of Property	10 years
Land area	438,414 sq ft (approx. 10.06 acres)
Lettable Area	116,919 sq ft
Average gross rent (per sq ft)	September 2022: RM2.26
Market value as at 30 September 2022	RM27,000,000
Average Occupancy	FY2020: 80.9% (12 month ended 30 Jun 2020) FY2021: 78.2% (12 month ended 30 Jun 2021) FY2022: 83.8% (12 month ended 30 Jun 2022) FY2023: 85.5% (3 months ended 30 Sep 2022)
Latest Occupancy Rate	September 2022: 85.3%
Number of tenancies as at 30 September 2022	65
Net Property Income (RM '000)	FY2020: 1,047 (12 month ended 30 Jun 2020) FY2021: 1,207 (12 month ended 30 Jun 2021) FY2022: 1,586 (12 month ended 30 Jun 2022) FY2023: 348 (3 months ended 30 Sep 2022)
Major tenants and % of occupied LA	TF Value-Mart (Supermarket; 37.1%) Mr DIY (Household Product, Gifts; 11.2%) Porcelain Inn Sdn Bhd (Household Product, Gifts; 8.5%)

KIPMall - MELAKA



Population coverage of 5 km radius

District	Estimation of coverage of 5 km radius	Estimation of population
Batu Berendam	100%	41,884
Bukit Baru	90%	43,225
Bandar Melaka	100%	63,854
Bachang	100%	22,873
Others	-	85,018

Address / Location	No. 8999, Jalan Tun Fatimah, Batu Berendam, 75350 Melaka
Property Type	Retail centre
Description	Two-storey retail centre
Tenure	99 years
Age of Property	9 years
Land area	380,310 sq ft (approx. 8.73 acres)
Lettable Area	187,841 sq ft
Average gross rent (per sq ft)	September 2022: RM2.54
Market value as at 30 September 2022	RM50,000,000
Average Occupancy	FY2020: 76.6% (12 month ended 30 Jun 2020) FY2021: 80.1% (12 month ended 30 Jun 2021) FY2022: 78.1% (12 month ended 30 Jun 2022) FY2023: 84.3% (3 months ended 30 Sep 2022)
Latest Occupancy Rate	September 2022: 85.8%
Number of tenancies as at 30 September 2022	85
Net Property Income (RM '000)	FY2020: 2,641 (12 month ended 30 Jun 2020) FY2021: 3,429 (12 month ended 30 Jun 2021) FY2022: 3,714 (12 month ended 30 Jun 2022) FY2023: 972 (3 months ended 30 Sep 2022)
Major tenants and % of occupied LA	Bachang Family Store (Supermarket; 28.2%) Mr. DIY (Household products, gifts; 10.1%) Omega Genius (Household products; 8.2%)

KIPMall - BANGI

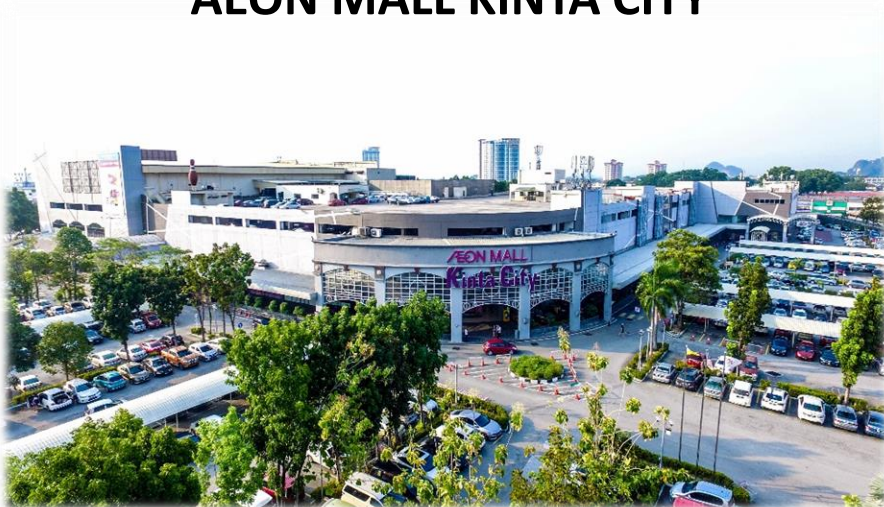


Population coverage of 5 km radius

District	Estimation of coverage of 5 km radius	Estimation of population
Ulu Langat	100%	187,538

Address / Location	No. 1, Jalan Medan Bangi, 43650 Bangi, Selangor
Property Type	Shopping Centre
Description	Five-storey shopping centre with a mezzanine floor
Tenure	99 years
Age of Property	23 years
Land Area	92,817 sq ft (approx. 2.13 acres)
Lettable Area	257,981 sq ft
Average gross rent (per sq ft)	September 2022: RM3.18
Market value as at 30 September 2022	RM124,000,000
Average Occupancy	FY2020: 78.6% (12 month ended 30 Jun 2020) FY2021: 81.9% (12 month ended 30 Jun 2021) FY2022: 70.1% (12 month ended 30 Jun 2022) FY2023: 72.3% (3 months ended 30 Sep 2022)
Latest Occupancy Rate	September 2022: 72.3%
Number of tenancies as at 30 September 2022	70
Net Property Income (RM '000)	FY2020: 8,303 (12 month ended 30 Jun 2020) FY2021: 7,566 (12 month ended 30 Jun 2021) FY2022: 6,590 (12 month ended 30 Jun 2022) FY2023: 1,394 (3 months ended 30 Sep 2022)
Major tenants and % of occupied LA	MY Hero Hypermarket (Supermarket; 19.7%) Bok Marketing (Household Product ,Gifts; 10.8%) Live Sport Gallery (Entertainment & Leisure; 10.7%)

AEON MALL KINTA CITY



Population coverage of 5 km radius

District	Estimation of coverage of 5 km radius	Estimation of population
Ipoh	50%	336,659

Address / Location	2, Jalan Teh Lean Swee, Taman Ipoh Selatan, 31400 Ipoh, Perak
Property Type	Shopping Centre
Description	Four-storey shopping centre
Tenure	Freehold
Age of Property	25 years
Land Area	648,310 sq ft (approx. 15 acres)
Lettable Area	530,181 sq ft
Average gross rent (per sq ft)	September 2022: RM2.85
Market value as at 30 September 2022	RM254,000,000
Occupancy Rate	100%
Number of tenancy	1
Net Property Income (RM'000)	FY2020: 14,403 (from date of completion 31 Jul 2019 to period ended 30 Jun 2020) FY2021: 16,519 (12 month ended 30 Jun 2021) FY2022: 17,291 (12 month ended 30 Jun 2022) FY2023: 4,328 (3 months ended 30 Sep 2022)

CAUTIONARY STATEMENT

This presentation is intended to focus on matters which are relevant to the interests of stock analysts and shareholders (existing and potential) in KIP REIT.

The purpose of this presentation is to provide relevant information to assist in the process of assessing the strategies adopted and performance delivered by KIP REIT and the potential for those strategies to succeed. It should not be relied upon by any other party or for any other purpose.

Forward looking statements are made in good faith, based on a number of assumptions concerning future events and information available to the Management at the time of their approval of this presentation. These forward looking statements should be treated with caution due to the inherent uncertainties underlying such forward looking information.

The user of this review should not rely unduly on these forward looking statements, which are not a guarantee of performance and which are subject to a number of uncertainties and other facts, many of which are beyond KIP REIT's control and could cause actual events to differ materially from those in these statements. No guarantee can be given of future results, levels of activity, performance or achievements.



Q&A





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